

HON. JOHN C. COUGHENOUR

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF WASHINGTON

ERWIN SINGH BRAICH,

Plaintiff,

v.

STEVE MITTELSTAEDT; KEITH M.  
OLSON; THE CITY OF  
BELLINGHAM; TYLER LETEY;  
SHREE SHARMA; THE STATE OF  
WASHINGTON; BRIAN G. McLEAN;  
McLEAN & ARMSTRONG; ROBERT  
RUSKO; DAVID WOOD; KPMG, INC.;  
KPMG LLP; RCMP SERGEANT TIM  
ALDER; THE GOVERNMENT OF  
CANADA; and JOHN/JANE DOES 1-  
10,

Defendants.

No. 2:07-cv-00177-JCC

STATUS REPORT REGARDING  
RELATED PROCEEDINGS IN THE  
SUPREME COURT OF BRITISH  
COLUMBIA

In advance of the status conference scheduled in this matter for July 24, 2007, defendants KPMG Inc., KPMG LLP, Robert Rusko, and David Wood (collectively, the “KPMG Defendants”) submit this status report regarding related proceedings before the Supreme Court of British Columbia. Those proceedings are relevant to the KPMG Defendants’ Motion to Dismiss (Dkt. # 13) presently pending before this Court.

1 As set forth in the Reply Declaration of Jeremy Roller in Support of the KPMG  
 2 Defendants' Motion to Dismiss (Dkt. # 25), on May 11, 2007, the KPMG Defendants filed  
 3 a motion in the Matter of the Bankruptcy of Erwin Singh Braich, No. 193466VA99,  
 4 pending before the Supreme Court of British Columbia in Bankruptcy. By that motion (the  
 5 "Canadian Bankruptcy Motion") the KPMG Defendants seek a (1) declaration that Braich  
 6 is required to obtain leave of the Supreme Court of British Columbia in Bankruptcy before  
 7 suing them, and (2) an injunction enjoining Braich from prosecuting this or other actions  
 8 against them absent leave from the Supreme Court of British Columbia in Bankruptcy.

9 On July 18, 2007, the Honorable Chief Justice Brenner of the Supreme Court of  
 10 British Columbia held a case management conference regarding the conduct and scheduling  
 11 of the hearing on the Canadian Bankruptcy Motion. In that case management conference,  
 12 Chief Justice Brenner directed, *inter alia*, that the hearing on the Canadian Bankruptcy  
 13 Motion be scheduled for two days, as opposed to the two weeks requested by Erwin Braich.  
 14 Chief Justice Brenner advised that he would hear the motion if he was able and that the  
 15 parties were to consult the Trial Coordinator regarding his availability. Following the  
 16 parties' consultation, the Trial Coordinator scheduled the hearing to commence on October  
 17 1, 2007, at which time the parties are advised Chief Justice Brenner likely will be available  
 18 to hear the matter.

19 The KPMG Defendants respectfully submit that their Motion to Dismiss should be  
 20 granted on the record presently before the Court. Alternatively, if this Court believes it may  
 21 benefit from guidance that the Supreme Court of British Columbia is anticipated to furnish  
 22 in resolving the Canadian Bankruptcy Motion, the KPMG Defendants will provide this

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1 Court with that decision in an additional status report immediately following resolution of  
2 that motion.

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4 Respectfully submitted, this 20<sup>th</sup> day of July, 2007.

5  
6 YARMUTH WILSDON CALFO PLLC

7 By: /s/ Harold A. Malkin

8 Harold A. Malkin, WSBA No. 30986

9 Jeremy E. Roller, WSBA No. 32021

10 Fourth & Madison

11 925 Fourth Avenue, Suite 2500

12 Seattle, WA 98104

13 Phone: (206) 516-3800

14 Fax: (206) 516-3888

15 Email: hmalkin@yarmuth.com

16 jroller@yarmuth.com

17 Attorneys for KPMG Inc., KPMG LLP, Robert  
18 Rusko, and David Wood